

September 29, 2006

MS07
Ms. Pat Casanova
Waivers, ICDMP, CHIP
Office of Medicaid Policy and Planning
Indiana Family and Social Services Administration
402 West Washington Street, Room W382, MS07
Indianapolis, IN 46204-2739

Tracking Number: H20060163

RE: Prior Authorization Monthly Report, August 2006

Dear Ms. Casanova:

The Prior Authorization Monthly Report for August 2006 is attached for your review. If there are any questions, please feel free to contact me at (317) 347-4500, extension 1293.

Sincerely,

Kimberly Lashbrook, B.A.
Manager, Prior Authorization

Enclosure

- c. P. Nolting, M. Shirley, C. Snider, J. Nelson, N. Motilal, K. Filler, A. Mizell,
K. Lawrance, M. Stein-Ordoñez, J.M. LaBrecque, S. Murphy, M. Fritz,
K. Holeman Shipp, (OMPP)
Dr. J. Monroe (ISDH)
G. Moore, K. Horton, Dr. T. Grisell, Dr. A. Arkush, K. Forrest, P. Steenbergen (HCE)



Health Care Excel
Prior Authorization Monthly Report

The attached report and graphs reflect HCE Prior Authorization activity during August 2006.

EXECUTIVE SUMMARY

The Prior Authorization Monthly Report supports that Health Care Excel Prior Authorization department satisfies RFP 3-45 requirements. Below is a brief summary of the highlights for this month.

Monthly Activity Summary

In the month of August, units requested increased by 1% from July.

HCE received 3,145 Web interChange requests, a 28% increase from July; 26,572 requests have been received since implementation on November 4, 2005.

Five bariatric surgeries were approved, six were denied, and 51 were suspended for additional information. Overall requests increased from July, but remained stable from prior months.

Psychiatric Residential Treatment Facilities (PRTF) services had a high approval rate. There were 269 requests approved, two were denied, and 49 were new admissions. This is a 20% increase in new admissions from July.

Twenty-one new Long Term Acute Care (LTAC) requests were received. Fifteen were approved, five were denied, and seven were suspended.

PA referrals to consultants resulted in 25% approved, 40% modified, 8% suspended for more information, and 27% denied decisions. Approvals increased by 4% and modifications decreased by 7% from July.

Exhibits

PA Telephone Activity, Exhibit A1, supports that 100% of calls were answered within an average of 7.8 seconds compared to an average of 7.6 seconds in July.

There were 8,759 calls received; 2,389, or 27%, were general inquiries. The August calls increased by 31% from July and general inquiries decreased by 5%.

Administrative Reviews and Appeals, Exhibit B1, shows that of 88 administrative review decisions rendered, 43% were approved, 21% were modified, and 35% were denied. Mental health requests accounted for 23% of the administrative review requests. Administrative review denials decreased by 3% from last month.

Seven administrative hearings were held in August. One Administrative Law Judge (ALJ) decision was received in favor of the provider and one decision was found in favor of the State.

One agency review was conducted in August.

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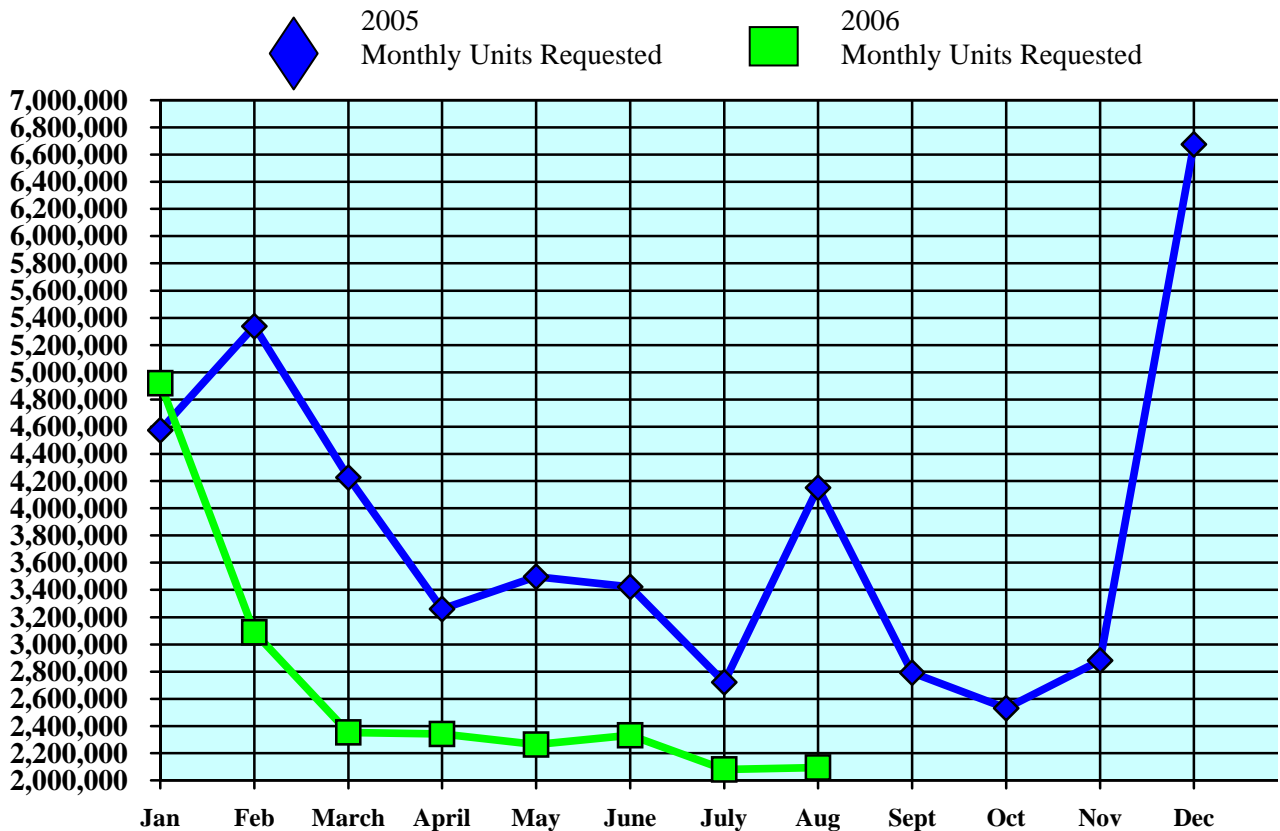
I. PURPOSE

The purpose of this report is to provide a comprehensive review of the monthly activities of the Prior Authorization (PA) department. The report is based primarily on On-Demand reports. Telephone reporting parameters can be found on the table on page E-1. This report represents data provided by the Automated Call Distribution (ACD) system.

General Outcomes Summary

Outcomes included in this report are classified by provider type: Fee-for-Service, PCCM, and Package C. Tables reflecting these categories are located on pages 5, 6, 7, 8, and 9. A total of 2,094,798 units were requested during the month of August 2006, which was an increase of 14,761 units, or 1% compared to July 2006.

Comparison of Year-to-Date 2005 and 2006 Units Requested



2006 Total
2005 Jan.–August Total

21,475,094
26,966,315

A. Monthly Activity Summary

1. PA Data Entry Activity

Ninety-five percent of all PA requests are entered into IndianaAIM within two business days of receipt, fulfilling **RFP 3-45, Section 4.4d2**.

	Monday		Tuesday		Wednesday		Thursday		Friday		Total	
Week	Rec'd	Entered	Rec'd	Entered	Rec'd	Entered	Rec'd	Entered	Rec'd	Entered	Rec'd	Entered
8/04/06	886	886	930	930	321	321	641	641	642	642	3,420	3,420
8/11/06	598	598	1,232	1,232	342	342	291	291	650	650	3,113	3,113
8/18/06	614	614	938	938	754	754	521	521	629	629	3,456	3,456
8/25/06	792	792	793	793	488	488	618	618	470	470	3,161	3,161
9/01/06	740	740	1,083	1,083	701	701	685	685	858	858	4,067	4,067
Total	3,630	3,630	4,976	4,976	2,606	2,606	2,756	2,756	3,249	3,249	17,217	17,217

Note: PA requests are entered by the Support Specialists. All requests were entered within two business days.

2. Inventory of Prior Authorization Requests (Mail, Fax, Telephone, and Web)

PA requests are correctly dispositioned within 10 business days of receipt, fulfilling **RFP-3-45, Section 4.4d3**.

Week	Beginning Inventory Mail/Fax	Received			Total Available for Processing	Completed PA Reviews	Ending Inventory										Total
		Mail/Fax	Phone	Web			Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	
8/04/06	5,887	3,337	1,287	535	11,046	5,788	0	745	827	698	486	1,041	1,085	376	0	0	5,258
8/11/06	5,258	3,509	1,287	640	10,694	5,687	0	818	733	605	505	1,339	705	302	0	0	5,007
8/18/06	5,007	3,855	1,246	631	10,739	5,698	0	1,023	714	552	881	1,083	623	165	0	0	5,041
8/25/06	5,041	3,485	1,253	640	10,419	5,312	0	894	586	781	707	1,012	910	217	0	0	5,107
9/01/06	5,107	4,105	1,297	699	11,208	5,570	0	704	966	856	790	1,270	814	238	0	0	5,638

Note: Data for this report are obtained from daily quality assurance reports, reviewer logs, On-Demand Aging Reports, and ACD telephone reports. PA requests that are incomplete and returned to the provider are not included in these totals. An itemized summary of return to provider requests is located on page 10 of this report.

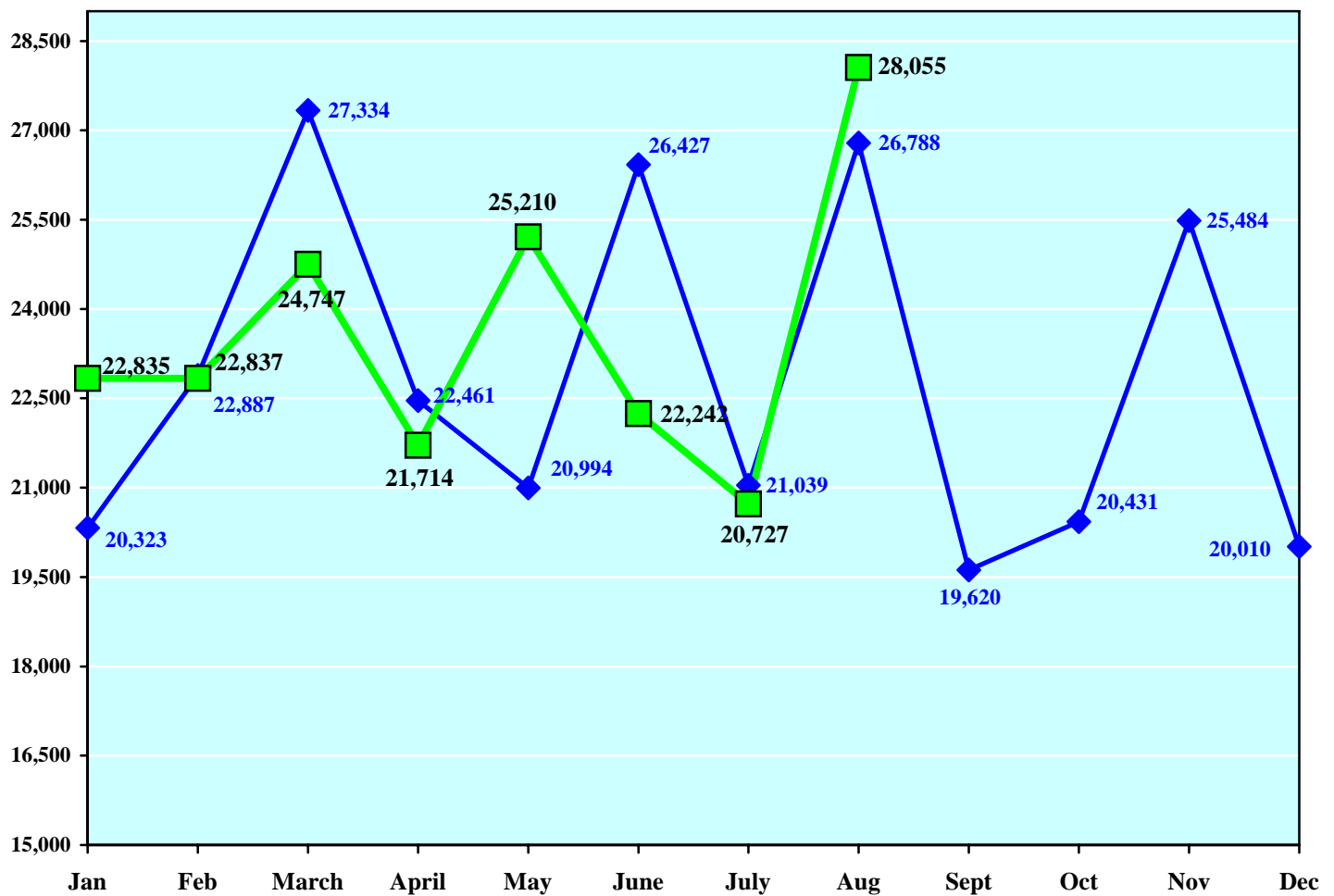
3. Completed Reviews by PA Category (Mail, Fax, Telephone, and Web)

Below is the monthly activity report indicating the number of requests reviewed by PA type of service, fulfilling **RFP 3-45, Section 4.4d3**.

PA Category	8/4/06	8/11/06	8/18/06	8/25/06	9/1/06	Month-to-Date Total	Year-to-Date Total
01 Home Health	281	265	259	236	249	1,290	9,359
02 Inpatient	65	59	62	41	56	283	2,210
03 Outpatient	67	71	70	75	74	357	2,051
04 Physician	81	73	90	69	81	394	1,723
05 Rehabilitation	29	2	14	12	22	79	1,026
06 Transplant	19	18	11	16	23	87	435
07 Transportation	1,803	1,816	1,823	1,759	1,803	9,004	60,724
08 Audiology	102	89	91	84	96	462	3,308
09 Speech Therapy	98	97	89	77	78	439	2,809
10 Mental Health	1,149	1,217	1,163	1,093	1,145	5,767	35,887
11 DME	984	893	907	861	887	4,532	32,078
12 Occupational Therapy	268	259	274	236	251	1,288	8,394
13 Physical Therapy	193	181	165	145	163	847	7,198
15 Dental	298	286	301	279	289	1,453	11,337
16 Optometry	2	3	1	1	2	9	59
17 Podiatry	0	0	0	1	0	1	68
18 Chiropractic	2	0	1	0	0	3	23
Hospice	347	358	377	327	351	1,760	11,576
Total	5,788	5,687	5,698	5,312	5,570	28,055	190,265

Note: This table represents the number of completed PA request reviews within each assignment group. Data is obtained from the daily quality assurance report, fax logs, and ACD telephone reports.

4. Comparison of January-July 2005 and 2006 PAs Processed



2006 YTD Total-190,265
2005 Jan.-August Total-188,253

◆ 2005 Monthly PAs Processed **■ 2006 Monthly PAs Processed**

A total of 28,055 PA requests were processed in August 2006, which is an increase of 7,328 PA requests from July 2006 and an increase of 1,267 PA requests (5%) compared to August 2005.

5. Monthly Report of Prior Authorization Review Outcomes for All Indiana Health Coverage Programs*

PA Assignment Categories	(1) Units	%	(2) Units	%	(3) Dollars	%	(4) Units	%	(5) Units	%	(6) Units	%	(7) Units	%
	Requested		Approved		Approved		Modified		Denied		Pending		Other*	
Audiology	862	0%	550	64%	\$0.00	0%	84	10%	183	21%	0	0%	45	5%
Chiropractic	0	0%	0	0%	\$0.00	0%	0	0%	0	0%	0	0%	0	0%
Dental	2,722	0%	2,221	82%	\$0.00	0%	41	2%	433	16%	0	0%	27	1%
DME	898,153	43%	494,484	55%	\$97,020.00	100%	250,244	28%	151,099	17%	0	0%	2,326	0%
Home Health	274,788	13%	192,586	70%	\$0.00	0%	43,850	16%	38,341	14%	0	0%	11	0%
Hospice	759	0%	169	22%	\$0.00	0%	547	72%	43	6%	0	0%	0	0%
Hospital	3,944	0%	2,982	76%	\$0.00	0%	315	8%	564	14%	0	0%	83	2%
Mental Health	95,992	5%	41,231	43%	\$0.00	0%	35,409	37%	18,132	19%	1,213	1%	7	0%
Occupational Therapy	7,696	0%	3,477	45%	\$0.00	0%	2,583	34%	1,635	21%	0	0%	1	0%
Optometry	1	0%	1	100%	\$0.00	0%	0	0%	0	0%	0	0%	0	0%
Outpatient	249	0%	170	68%	\$0.00	0%	51	20%	12	5%	0	0%	16	6%
Physical Therapy	61,534	3%	22,879	37%	\$0.00	0%	24,718	40%	13,810	22%	0	0%	127	0%
Physician	1,124	0%	313	28%	\$0.00	0%	51	5%	107	10%	0	0%	653	58%
Podiatry	12	0%	0	0%	\$0.00	0%	2	17%	1	8%	0	0%	9	75%
Rehabilitation	1,179	0%	185	16%	\$0.00	0%	486	41%	508	43%	0	0%	0	0%
Respiratory Therapy	0	0%	0	0%	\$0.00	0%	0	0%	0	0%	0	0%	0	0%
Speech	5,685	0%	3,514	62%	\$0.00	0%	1,230	22%	939	17%	0	1%	2	0%
Transplant	653	0%	475	73%	\$0.00	0%	1	0%	177	27%	0	0%	0	0%
Transportation	739,445	35%	554,568	75%	\$0.00	0%	41,071	6%	143,084	19%	0	0%	722	0%
Totals	2,094,798	100%	1,319,805	63%	\$97,020.00	100%	400,683	19%	369,068	18%	1,213	0%	4,029	0%

Column 1 is the sum of columns 2, 4, 5, 6, and 7. It differs from the PAU-0005-M run for the month as the “Units Requested” column does not equal the sum of the requests in the On-Demand report.

Columns 2, 3, 4, 5, 6, and 7 are obtained from PAU-0005-M columns of the same headings run for August 2006.

The “Totals” row above matches the “Total” row on the PAU-0005-M run for August 2006 with the exception of the “Units Requested” for the reason above.

* Units “Other” includes suspended or no prior authorization required.

6. Comparative Monthly Report of Prior Authorization Review Outcomes for All Indiana Health Coverage Programs*

	(1)	July -06		(2)	July -06		(3)	July -06		(4)	July -06		(5)	July -06		(6)	July -06	
	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)
PA Categories	Units Requested	Units Requested		Units Approved	Units Approved		Units Modified	Units Modified		Units Denied	Units Denied		Units Pending	Units Pending		Units Other*	Units Other	
Audiology	862	841	21	550	616	(66)	84	64	20	183	144	39	0	0	0	45	17	28
Chiropractic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dental	2,722	2,655	67	2,221	1,520	701	41	28	13	433	1085	(652)	0	0	0	27	22	5
DME	898,153	980,502	(82,349)	494,484	490,091	4,393	250,244	247,726	2,518	151,099	239,413	(88,314)	0	0	0	2,326	3,272	(946)
Home Health	274,788	477,268	(202,480)	192,586	382,726	(190,140)	43,850	40,855	2,995	38,341	53,687	(15,346)	0	0	0	11	0	11
Hospice	759	909	(150)	169	126	43	547	576	(29)	43	207	(164)	0	0	0	0	0	0
Hospital	3,944	1,960	1,984	2,982	621	2,361	315	203	112	564	1,074	(510)	0	0	0	83	62	21
Mental Health	95,992	87,848	8,144	41,231	44,135	(2,904)	35,409	26,846	8,563	18,132	14,007	4,125	1,213	1,416	(203)	7	1444	(1,437)
Occupational Therapy	7,696	10,413	(2,717)	3,477	5,817	(2,340)	2,583	3,785	(1,202)	1,635	808	827	0	0	0	1	3	(2)
Optometry	1	6	(5)	1	0	1	0	0	0	0	0	0	0	0	0	0	6	(6)
Outpatient	249	397	(148)	170	80	90	51	1	50	12	243	(231)	0	0	0	16	73	(57)
Physical Therapy	61,534	65,563	(4,029)	22,879	34,298	(11,419)	24,718	21,292	3,426	13,810	9,878	3,932	0	0	0	127	95	32
Physician	1,124	776	348	313	238	75	51	127	(76)	107	44	63	0	0	0	653	367	286
Podiatry	12	9	3	0	0	0	2	0	2	1	1	0	0	0	0	9	8	1
Rehabilitation	1,179	962	217	185	254	(69)	486	304	182	508	404	104	0	0	0	0	0	0
Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Speech	5,685	7,092	(1,407)	3,514	2,655	859	1,230	2,048	(818)	939	2,373	(1,434)	0	0	0	2	16	(14)
Transplant	653	76	577	475	56	419	1	1	0	177	4	173	0	0	0	0	15	(15)
Transportation	739,445	694,935	44,510	554,568	540,639	13,929	41,071	45,172	(4,101)	143,084	108,953	34,131	0	0	0	722	171	551
Totals	2,094,798	2,332,212	(237,414)	1,319,805	1,503,872	(184,067)	400,683	389,028	11,655	369,068	432,325	(63,257)	1,213	1,416	(203)	4,029	5,571	(1,542)

RFP 3-45, Section 4.4d24-Provide a monthly PA activity report to the State indicating by type of service, the number of PA units approved, modified, and denied. Source: PAU-0005-M run for August 2006.

* Units “Other” includes suspended or no prior authorization required.

7. Comparative Monthly Report of Fee-for-Service Prior Authorization Review Outcomes*

	(1)	July -06		(2)	July -06		(3)	July -06		(4)	July -06		(5)	July -06		(6)	July -06	
	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)
PA Categories	Units Requested	Units Requested		Units Approved	Units Approved		Units Modified	Units Modified		Units Denied	Units Denied		Units Pending	Units Pending		Units Other*	Units Other	
Audiology	862	841	21	550	520	30	84	58	26	183	58	125	0	0	0	45	9	36
Chiropractic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dental	2,690	2,649	41	2,189	1,368	821	41	57	(16)	433	386	47	0	0	0	27	8	19
DME	898,153	976,534	(78,381)	494,484	415,519	78,965	250,244	229,970	20,274	151,099	121,449	29,650	0	0	0	2,326	2,147	179
Home Health	274,761	477,244	(202,483)	192,586	156,587	35,999	43,850	20,195	23,655	38,314	(10)	38,324	0	0	0	11	0	11
Hospice	758	909	(151)	168	106	62	547	471	76	43	119	(76)	0	0	0	0	0	0
Hospital	3,943	1,960	1,983	2,982	1,328	1,654	314	208	106	564	570	(6)	0	0	0	83	2,817	(2,734)
Mental Health	94,564	86,792	7,772	40,597	41,054	(457)	34,800	32,174	2,626	17,947	14,501	3,446	1,213	561	652	7	8	(1)
Occupational Therapy	7,596	10,413	(2,817)	3,477	4,782	(1,305)	2,583	3,242	(659)	1,535	2,100	(565)	0	0	0	1	30	(29)
Optometry	1	6	(5)	1	0	1	0	0	0	0	0	0	0	0	0	0	6	(6)
Outpatient	249	397	(148)	170	2,701	(2,531)	51	0	51	12	89	(77)	0	0	0	16	14	2
Physical Therapy	61,362	65,393	(4,031)	22,707	251,635	(228,928)	24,718	26,021	(1,303)	13,810	11,268	2,542	0	0	0	127	109	18
Physician	1,124	776	348	313	491	(178)	51	64	(13)	107	490	(383)	0	0	0	653	1,016	(363)
Podiatry	12	9	3	0	8	(8)	2	6	(4)	1	6	(5)	0	0	0	9	18	(9)
Rehabilitation	1,179	962	217	185	146	39	486	390	96	508	397	111	0	0	0	0	0	0
Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Speech	5,685	7,042	(1,357)	3,514	2,381	1,133	1,230	1,359	(129)	939	925	14	0	0	0	2	10	(8)
Transplant	653	76	577	475	27	448	1	1	0	177	1	176	0	0	0	0	0	0
Transportation	739,145	694,932	44,213	554,268	589,966	(35,698)	41,071	29,704	11,367	143,084	104,947	38,137	0	0	0	722	54	668
Totals	2,092,737	2,326,935	(234,198)	1,318,666	1,468,619	(149,953)	400,073	343,920	56,153	368,756	257,296	111,460	1,213	561	652	4,029	6,246	(2,217)

RFP 3-45, Section 4.4d24–Provide a monthly PA activity report to the State indicating by type of service, the number of PA units approved, modified, and denied.

Source: Column 1 is the sum of columns 2, 3, 4, 5, and 6. Columns 2, 3, 4, 5, and 6 totals result from subtracting pages 8 and 9 from page 6 of this report.

* Units “Other” includes suspended or no prior authorization required.

8. Comparative Monthly Report of PCCM Prior Authorization Review Outcomes*

	(1)	July -06		(2)	July -06		(3)	July -06		(4)	July -06		(5)	July -06		(6)	July -06	
	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)
PA Categories	Units Requested	Units Requested		Units Approved	Units Approved		Units Modified	Units Modified		Units Denied	Units Denied		Units Pending	Units Pending		Units Other*	Units Other	
Audiology	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chiropractic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DME	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Home Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hospice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hospital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mental Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Optometry	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outpatient	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Physical Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Physician	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Podiatry	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Speech	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transplant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

RFP 3-45, Section 4.4d24—Provide a monthly PA activity report to the State indicating by type of service, the number of PA units, approved, modified, and denied.

Source: PAU-0017-M run for August 2006.

* Units “Other” includes suspended or no prior authorization required.

9. Comparative Monthly Report of Package C (CHIP) Prior Authorization Review Outcomes*

	(1)	July -06		(2)	July -06		(3)	July -06		(4)	July -06		(5)	July -06		(6)	July -06	
	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)	August	July	+ or (-)
PA Categories	Units Requested	Units Requested		Units Approved	Units Approved		Units Modified	Units Modified		Units Denied	Units Denied		Units Pending	Units Pending		Units Other*	Units Other	
Audiology	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chiropractic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dental	32	6	26	32	13	19	0	0	0	0	0	0	0	0	0	0	6	(6)
DME	0	3,968	(3,968)	0	0	0	0	0	0	0	1,373	(1,373)	0	0	0	0	0	0
Home Health	27	24	3	0	0	0	0	0	0	27	10	17	0	0	0	0	0	0
Hospice	1	0	1	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Hospital	1	0	1	0	3	(3)	1	0	1	0	0	0	0	0	0	0	0	0
Mental Health	1,428	1,056	372	634	519	115	609	523	0	185	253	(68)	0	0	0		0	0
Occupational Therapy	100	0	100	0	52	(52)	0	0	0	100	0	100	0	0	0	0	0	0
Optometry	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outpatient	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Physical Therapy	172	170	2	172	32	140	0	234	(234)	0	80	(80)	0	0	0	0	1	(1)
Physician	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Podiatry	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Speech	0	50	(50)	0	32	(32)	0	12	(12)	0	104	(104)	0	0	0	0	0	0
Transplant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation	300	3	297	300	148	152	0	0	0	0	0	0	0		0	0	0	0
Totals	2,061	5,277	(3,216)	1,139	799	340	610	769	(159)	312	1,820	(1,508)	0	0	0	0	7	(7)

RFP 3-45, Section 4.4d24—Provide a monthly PA activity report to the State indicating by type of service, the number of PA units approved, modified, and denied. Source: PAU-0105-M run for August 2006.

* Units “Other” includes suspended or no prior authorization required

10. PA Requests Returned to Provider

Reason	8/4/06	8/11/06	8/18/06	8/25/06	9/1/06	Month-to-Date Total	Year-to-Date Total
Provider number missing/invalid	5	2	1	9	1	18	124
RID number missing/invalid	9	5	6	14	3	37	304
Diagnosis code missing	21	22	20	28	6	97	939
Service code missing/invalid	31	14	26	32	19	122	950
Start/Stop missing/invalid	26	27	19	45	9	126	527
Number of units missing/invalid	14	7	6	12	8	47	476
Additional information needed	28	2	2	17	5	54	460
Incorrect PA form used	14	7	10	17	6	54	441
Lack of signature	22	4	3	22	12	63	531
Unable to read	1	2	3	5	2	13	138
Total	171	92	96	201	71	631	4,890

The most frequent returns were the following.

- ◆ Start/Stop missing/invalid 126
- ◆ Service code missing/invalid 122
- ◆ Diagnosis code missing 97

11. Hospice Member Activity Report

This report satisfies **RFP 3-45, Section 4.4d36** to authorize hospice services, including review of the required paperwork and appropriate signatures.

Week	Total Hospice Members	60/90 Day Active	Extended Care Facility %	Private Home %	Cumulative Deceased	Cumulative Revoke from Program	Cumulative Discharged by Provider
8/04/06	24,752	779	71%	29%	16,137	1,570	1,554
8/11/06	24,796	746	77%	23%	16,171	1,576	1,564
8/18/06	24,844	764	77%	23%	16,218	1,581	1,569
8/25/06	24,910	759	77%	23%	16,270	1,598	1,579
9/01/06	24,989	796	72%	28%	16,356	1,606	1,604

Note: Hospice information is collected and updated through an Access database.

12. Bariatric Surgery Requests

There were 21 new bariatric surgery requests received in August. The beginning inventory included 51 requests suspended for additional documentation from the previous month.

- ◆ Seventeen requests were approved.
- ◆ Three requests were denied for untimely submission of documentation and two were denied as risk-based managed care.
- ◆ Fifty requests remain in suspended status awaiting missing documentation.

Missing documentation included medical records for the previous five years, a psychological evaluation, documentation of a physician supervised diet for six months, and signed statements of agreement of surgical risks.

The increase in approved bariatric surgery prior authorizations is due to new medical criteria decreasing required medically supervised weight loss programs from eighteen to six months.

Month	*Beginning Inventory	New PAs Received	Approved	Denied	Suspended
January	16	24	8	8	24
February	24	13	8	2	27
March	27	15	2	3	37
April	37	10	3	3	41
May	41	13	0	9	45
June	45	2	0	2	45
July	45	17	5	6	51
August	51	21	17	5	50
Total	286	115	43	38	320

*Suspended inventory from the previous month.

13. Psychiatric Residential Treatment Facility (PRTF) Services

There were 271 new requests received for PRTF services in August; 269 were approved and two were denied. Concurrent reviews or continuation of an approved stay accounted for 222 of the requests.

Month	Requests Received	Approved	Modified	Denied	Suspended	PCCM	RBMC	New Admissions	Concurrent Reviews
January	249	247	2	0	0	0	138	35	214
February	268	267	0	1	0	0	155	43	225
March	270	267	0	3	0	0	160	56	214
April	253	252	1	0	0	0	157	38	215
May	271	266	4	0	1	0	155	35	236
June	285	285	0	0	0	0	154	52	233
July	264	260	2	0	2	0	164	41	223
August	271	269	0	2	0	0	169	49	222
Total	2,131	2,113	9	6	3	0	1,252	349	1,782

14. Long Term Acute Care

Month	*Beginning Inventory	PA Received	Approved	Denied	Ending Inventory
January	0	18	12	5	1
February	1	16	14	3	0
March	0	24	17	6	1
April	1	16	6	8	3
May	3	25	12	9	7
June	7	10	6	6	5
July	5	14	12	4	6
August	6	21	15	5	7
Total	23	144	94	46	30

*Suspended inventory from the previous month.

Twenty-one new requests were received in August for long term acute care services.

- Fifteen requests were approved.
- Four were denied because they did not meet LTAC criteria and one request was an untimely submission.
- Seven requests were suspended awaiting additional information.

15. Staffing

The total number of PA staff is 26.5. The positions are as follows.

Manager	1
Supervisors	2
Specialists	2
Reviewers	15
Secretary	1
Support Specialists	5.5

16. Review Outcomes of PA Cases Referred to Consultants

	Approved		Modified		Suspended		Denied		Total
Referrals	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number
Dental	1	100%	0	0%	0	0%	0	0%	1
Hospice	0	0%	0	0%	0	0%	9	100%	9
PRTF	3	75%	0	0%	0	0%	1	25%	4
Rehab	0	0%	2	67%	1	33%	0	0%	3
Totals:	4	24%	2	12%	1	6%	10	58%	17
Mental Health Inpatient	30	36%	28	34%	2	2%	23	28%	83
Psych Testing	8	12%	37	54%	11	16%	12	18%	68
Totals:	38	25%	65	43%	13	9%	35	23%	151
PA Referrals Totals	42	25%	67	40%	14	8%	45	27%	168

	Approved		Modified		Suspended		Denied		Total
Adm Review	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number
Mental Health Inpatient	1	25%	0	0%	0	0%	3	75%	4
Psych Testing	0	0%	1	100%	0	0%	0	0%	1
Totals:	1	20%	1	20%	0	0%	3	60%	5
DME	0	0%	0	0%	0	0%	1	100%	1
Hospice	0	0%	0	0%	0	0%	1	100%	1
Neurology	1	100%	0	0%	0	0%	0	0	1
Rehab	0	0%	0	0%	0	0%	3	100%	3
Totals:	1	17%	0	0%	0	0%	5	83%	6
PA Adm Review Totals:	2	18%	1	9%	0	0%	8	73%	11

	Approved		Modified		Suspended		Denied		Total
PA Hearing and Appeals Review	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number
Dental	1	100%	0	0%	0	0%	0	0%	1
Totals	1	100%	0	0%	0	0%	0	0%	1
PA Hearing and Appeals Review Totals:	1	100%	0	0%	0	0%	0	0%	1

Overall	Number	% of Total
Approved	42	25%
Modified	67	40%
Suspended	14	8%
Denied	45	27%
Total	168	100%

PA referrals to consultants resulted in 25% approved, 40% modified, 8% suspended, and 27% denied decisions. Inpatient mental health and psychological testing accounted for 90% of the referrals. A psychiatrist consultant is on-site weekly to review requests and is available for consult on cases which require immediate resolution.

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II. EXHIBITS

Exhibit A1 PA Telephone Activity

An adequate number of telephone lines were maintained and staffed to fulfill **RFP 3-45, Section 4.4d12**.

Telephone/ACD Report	Total Calls Received	% Answered	Average Response Time by a Live Person (Seconds)	Calls Abandoned	% Abandoned	Average Talk Time (Minutes)	General Inquiries
8/04/06							
Mental Health	480	100%	8.6	0	0%	5.5	
Home Health, Hospice	204	100%	8.0	1	0%	3.1	
Med/Surg, DME	559	100%	7.0	0	0%	3.0	
Other	529	100%	8.4	0	0%	1.4	
Overall Department	1,772	100%	8.0	1	0%	3.3	485
8/11/06							
Mental Health	444	100%	9.4	2	0%	5.5	
Home Health, Hospice	226	100%	7.8	0	0%	3.0	
Med/Surg, DME	542	100%	7.0	1	0%	2.9	
Other	550	100%	9.0	1	0%	1.4	
Overall Department	1,762	100%	8.3	4	0%	3.2	475
8/18/06							
Mental Health	460	100%	8.8	2	0%	5.1	
Home Health, Hospice	193	100%	7.4	0	0%	3.0	
Med/Surg, DME	551	100%	6.8	0	0%	2.8	
Other	558	100%	8.6	2	0%	1.8	
Overall Department	1,762	100%	7.9	4	0%	3.2	516
8/25/06							
Mental Health	460	100%	8.2	0	0%	5.3	
Home Health, Hospice	192	99%	7.6	1	1%	3.1	
Med/Surg, DME	537	100%	7.1	1	0%	2.7	
Other	505	100%	7.3	1	0%	2.0	
Overall Department	1,694	100%	7.6	3	0%	3.3	441
9/01/06							
Mental Health	433	100%	8.8	0	0%	5.6	
Home Health, Hospice	248	100%	7.4	0	0%	3.0	
Med/Surg, DME	555	100%	6.9	1	0%	2.8	
Other	533	100%	8.1	0	0%	2.8	
Overall Department	1,769	100%	7.8	1	0%	3.6	472

Note: Data originate from the Automated Call Distribution (ACD) System.

Exhibit B1
Administrative Reviews and Appeals
RFP 3-45, Section 4.4d28 and 29

Administrative Review Activity	Provider Requests
Unresolved from Previous Months	12
New Requests Received	87
Decisions Rendered	88
Balance	11
Administrative Review Decisions	
Approved	37
Denied	30
Modified	17
No Issue	4
Total Decisions	88

Provider Type	Administrative Review Decisions
Chiropractic	0
Dental	2
DME	19
Home Health	11
Hospice	10
Hospital	3
LTAC	0
Mental Health	20
Psychological Testing	2
Optometry	0
OT	3
PT	0
Physician	4
Podiatry	0
Rehabilitation	8
RT	0
Speech/Audio	6
Transplant	0
Transportation	0
TBI	0
Total	88

Administrative Reviews

Eighty-seven new administrative review requests were received and processed during August. There were 88 administrative review decisions rendered, of which 20 were for mental health and 68 were for various other PA assignment categories. No denials were a result of untimely administrative review requests.

- 37 (43%) were approved
- 30 (35%) were denied
- 17 (21%) were modified
- 4 (1%) were no issue

Exhibit B2
Administrative Hearings and Appeals
RFP 3-45, Section 4.4d28 and 29

Administrative Hearing Activity	Member Appeal	Provider Appeal	Total
Unresolved from Previous Months	17	17	34
New Appeals Received	0	0	0
Cases Dismissed	1	1	2
*No Issue	0	0	0
*Request was Untimely	0	0	0
*Additional Information Submitted	0	0	0
*Withdrawn	1	1	2
ALJ Decisions Received	2	0	2
Balance	14	16	30
Packets Prepared for Hearings	3	7	10
Hearings Scheduled	11	0	11
Hearings Held	7	0	7
**Hearing Notices Received	3	0	3

*Represents Detail of Cases Dismissed.

**Hearing Notices Received are included in the inventory of unresolved and new appeals.

Administrative Law Judge (ALJ) Decisions Received	Member Appeal	Provider Appeal	Total
Dismissed	0	0	0
Remanded	1	0	1
Overtaken	0	0	0
Sustained	1	0	1
Modified - Partially Favorable	0	0	0
Total Decisions	2	0	2

Provider Type	ALJ Decisions
Chiropractic	0
Dental	1
DME	0
Home Health	0
Hospital	0
Hospice	0
Mental Health	0
Optometry	0
OT	0
PT	0
Physician	1
Podiatry	0
Rehabilitation	0
RT	0
Speech/Audio	0
Transplant	0
Transportation	0
TBI	0
Total	2

Administrative Hearings and Appeals

There were no new appeals filed during August and two decisions were received from the Administrative Law Judge. There were ten hearing packets prepared and seven hearings were conducted.

PA 6072170075 requested authorization for skilled nursing care for a 3-year-old member with a diagnosis of cerebral palsy. The patient requires tracheostomy and feeding tube care. The request included 103 hours per week of skilled nursing care. The request was modified to 81 hours per week to cover the mother's and father's work schedule and sleep time. The additional hours were determined to be respite hours for the member's father to coach an athletic youth team. The respite hours were denied and the modification was appealed. A hearing was scheduled but prior to the hearing the appeal was withdrawn because respite hours were available through a waiver.

PA 6124130011 requested authorization for an out-of-state surgical procedure for a 13-year-old member requiring removal of an ocular implant in the right eye. The request was received after the service was rendered and the original commercial insurance carrier claim was denied. The request was denied as untimely and the member appealed the decision. The provider was contacted; neither the provider nor the member had knowledge of the member's Medicaid status at the time of services rendered. The request was approved as retroactive in accordance with 405 IAC 5-3-9 and the appeal was dismissed.

PA 6039316003 requested authorization for inpatient acute rehabilitation for a 20-year-old member with a history of a gunshot wound resulting in injury to cervical vertebrae C-6 and quadriplegia. The injury occurred in 2005 and the patient had been living at home. A physiatrist consultant reviewed the request and indicated the member had received acute rehabilitation following his hospitalization at the time of the injury and no longer met criteria for acute rehabilitation. The consultant also stated the member was experiencing debility which does not require inpatient acute rehabilitation. The request was denied and the member appealed the decision. A hearing was scheduled but the member withdrew the request prior to the hearing date.

PA 6065170011 requested authorization for an upper partial denture for a 25-year-old member with missing teeth. The request indicated the partial denture was to replace teeth numbered 7, 8, 13, and 14. The member had eight posterior teeth in occlusion and did not meet criteria for authorization of an upper partial denture. The request was denied and the member requested a hearing. A hearing was scheduled but the member withdrew request before the hearing date.

PA 6058170099 requested authorization for a power wheelchair for a 68-year-old member with Parkinson's disease and arthritis. Prior authorization history indicated a manual wheelchair had been approved in 2002 and the member was not eligible for replacement until September 2007. Additional documentation indicated the member was able to self propel a manual wheelchair and did not meet the criteria for a power wheelchair. The request was denied and the member appealed the decision. The member's waiver case manager was contacted at the provider's request and was advised the member did not qualify for a power wheelchair. The member withdrew the request for hearing.

PA 6097160064 requested authorization for upper and lower implants for a 28-year-old member without teeth. The member has a diagnosis of Down's syndrome. The request was denied as non-covered. The member appealed the decision but prior to the scheduled hearing the member presented information from the dentist indicating the member was unable to eat without some type of prosthesis. Due to facial deformities secondary to Down's syndrome, the member was unable to wear traditional dentures because the member's mandibular and maxillary structures were not present to support the dentures. An oral surgeon consultant reviewed the request and concurred that this member was unable to support any kind of prosthesis to eat without the implants. The request was approved as medically necessary and the hearing was dismissed.

PA 6061347002 requested authorization for an inpatient psychiatric admission for a 25-year-old member diagnosed with depression and exhibiting suicidal ideation. The request was approved for the initial admission and 31 of the requested 35 days. The provider requested administrative review of the modified days but the request was denied as untimely. The provider requested a hearing stating the request was submitted earlier than documented. The original documentation and tracking information was reviewed and the request was confirmed as an untimely submission. A hearing was scheduled but the provider failed to appear resulting in dismissal of the issue.

PA 6032323000 requested authorization for an inpatient psychiatric admission for a 57-year-old member who was admitted to emergency detention for threatening behavior. The initial admission and 15 of the requested 22 days were approved. The provider requested administrative review of the modified days but the request was denied as untimely. The provider requested a hearing stating the request was submitted earlier than documented. The original documentation and tracking information was reviewed and the request was confirmed as an untimely submission. A hearing was scheduled but the provider failed to appear resulting in dismissal of the issue.

PA 6044124051 requested authorization for an inpatient acute rehabilitation admission for a 33-year-old member diagnosed with a severe head injury. The initial admission and 22 of the requested 53 days were approved. The provider requested administrative review of the modified days but the request for administrative review was denied as untimely. The provider was contacted prior to the scheduled hearing and indicated the request had been submitted late and withdrew the request for hearing.

PA 6082150001 requested authorization for an inpatient acute rehabilitation for a 40-year-old member with subarachnoid hemorrhage and subdural hematoma. The request was approved for the initial admission and 26 of the requested 28 days. Two days were denied because the member did not participate in the required minimum three hours of therapy. The provider appealed the modification and was contacted to review the criteria for acute rehabilitation admission and consequently withdrew the request for hearing.

PA 6073160075 requested authorization for hospice services for a 59-year-old member who exhibited extreme anxiety, shortness of breath, decreased endurance, and decreased appetite. A physician consultant reviewed the request and stated the member did not have a diagnosis that would indicate proper course of the disease resulting in death within six months as required by IHCP criteria. The provider requested administrative review of the decision but the request was not received within seven business days. The administrative review request was denied as untimely and the provider appealed the denial of administrative review. A hearing was scheduled but the provider failed to appear and the issue was dismissed.

PA 6083160001 requested authorization for hospice services for a 39-year-old member with cerebral palsy, mental retardation, and debility. The request was forwarded to a physician consultant for review and the consultant indicated the member did not have a diagnosis that would result in death within six months as required by IHCP criteria. The provider requested administrative review of the denial and the information was forwarded to another physician consultant for review who upheld the denied decision. The provider requested a hearing and submitted additional documentation indicating the member, whose condition was rapidly declining, had lost a substantial amount of weight and had been recently hospitalized with aspiration pneumonia. The additional information was reviewed and the request was approved resulting in dismissal of the hearing.

PA 6118124091 requested authorization for physical therapy services for a 41-year-old member with complaints of joint pain. The request was suspended for the required plan of care. The information was not received within 30 days and the request was denied. The member appealed the decision and the provider was contacted for the requested information. The provider advised that the information was not sent because the claim was paid by Medicare. The provider advised the member of the paid claim and the member withdrew the appeal.

Exhibit B3

Agency Reviews

PA 5195170102 requested authorization for skilled nursing services for a 25-year-old member with cerebral palsy, mental retardation, and seizure disorder. The request was received July 14, 2005. The request was reviewed on July 22, 2005 and suspended for a current plan of care and cost estimate signed by the physician. The provider was given 30 days to submit the requested information. The information was received September 6, 2005. After review, the dates of service were modified. The provider appealed the modification and a hearing was scheduled. The provider stated at the hearing that the required information was submitted but apparently had been lost in the mail. The Administrative Law Judge permitted the provider ten days to submit evidence indicating the information had been mailed. The provider was unable to submit evidence but the ALJ found in favor of the appellant citing her testimony was credible. HCE requested administrative review of the ALJ decision and Agency Review affirmed the ALJ decision.

Exhibit B4

Judicial Reviews

PA 6047150010 requested authorization for a hysterectomy procedure for a 39-year-old member diagnosed with pelvic pain. The request was denied because the submitted documentation did not indicate conservative measures had been attempted to control the member's pain issues. The member appealed the denial and a hearing was scheduled. At the hearing the member indicated she had undergone conservative measures with her primary physician. The Administrative Law Judge remanded the appeal back to the member and advised her to submit the documentation from her physician for review. The requested information including an updated diagnosis of endometriosis and adenomyosis was received from her physician and the request was approved.

PA 6117120064 requested authorization for an upper partial denture for a 59-year-old member with missing teeth. The member had missing teeth numbered 2, 3, 10, 11, 12, 13, 14, and 15. A review of prior authorization history indicated the member received an upper partial denture in 2002 and was not eligible for replacement until 2008. The member appealed the denial. A hearing was held and the Administrative Law Judge upheld the denial.

The Office of the Attorney General reports there are no current judicial review cases.

Exhibit C1

Location 22–Aged Claims Inventory

Inventory

EDS informed HCE that reports generated in IndianaAIM are not accurate; therefore, HCE reported aged claim statistics through its internal monitoring system. HCE will continue to track aged claims changes to report accurately in Location 22 suspense.

In August of 2004, claim attachments became available for viewing electronically through On-Demand. The ability to access claims electronically within one to two days decreased the number of days between receipt of claims in Location 22 and adjudication. As of August 31, 2006, there were two claims awaiting adjudication.

Description	Number of Claims in Age Category	Number of Claims in Age Category Based on Days in Location 22
0-15 Days	2	2
16-30 Days	0	0
31-45 Days	0	0
46-60 Days	0	0
61-75 Days	0	0
75+ Days	0	0
Total Inventory	2	2